

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1431 - SB 2349

February 26, 2016

SUMMARY OF BILL: Expands the *Non-Smoker Protection Act* by prohibiting smoking on the grounds of all property owned by the state or any political subdivision of the state. Establishes that this prohibition shall include any non-enclosed areas of public space that are owned by the state or any political subdivision of the state. An effective date of July 1, 2016.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Exceeds \$78,300/One-Time

Increase Local Expenditures - Exceeds \$55,000/One-Time*

Assumptions:

- Prohibits smoking on state property and any local government property including county, municipal, or metropolitan government.
- According to General Services, non-smoking signs would need to be placed on the grounds outside and near current state-owned buildings
- According to General Services, there are approximately 655 state-owned buildings with an assessed value of over \$25,000.
- The number of state-owned buildings or other properties with an assessed value lower than \$25,000 is unknown. However, it is estimated to be at least 100 additional buildings or other properties.
- An average of four new signs per property with a state-owned building and for other properties without a building.
- In addition, state-owned, non-enclosed properties (i.e. parks) are also required to prohibit smoking.
- According to the FY15-16 Factbook, there are currently 56 state parks in the state of Tennessee.
- An average of two non-smoking signs per park.
- An average sign cost of \$25.00.
- A one-time increase in state expenditures estimated to exceed \$78,300 {[4 signs x (655 + 100)] + (2 signs x 56) x \$25.00}.
- The provisions of this bill require local governments to extend smoking bans to all local government-owned properties.
- There are an estimated 440 local entities that will prohibit smoking on their grounds.

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- Signs are estimated to cost an average of at least \$25 each and each local government will post at least 5 signs. The mandatory one-time increase in local expenditures is estimated to exceed \$55,000 [(\$25 x 5) x 440].
- A not significant increase in revenue from collection of additional civil penalties.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

IMPACT TO COMMERCE:

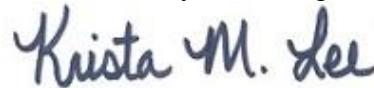
NOT SIGNIFICANT

Assumption:

- This legislation is not expected to have a significant impact on commerce or jobs in Tennessee.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

/jdb